

Idaho Legislative Audits
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Idaho Barley Commission

Audit Report

Issued: September 20, 2004
Fiscal Year: 2003 and 2004



EXECUTIVE SUMMARY LEGISLATIVE AUDITS

IDAHO BARLEY COMMISSION

PURPOSE AND SCOPE. We have audited the financial statements of the Idaho Barley Commission for the fiscal years ended June 30, 2003 and 2004, in accordance with auditing standards generally accepted in the United States of America. The purpose of our audit is to determine if the Commission's financial statements are materially accurate and reliable, and that the Commission complied with laws and regulations affecting fiscal operations.

CONCLUSION. We conclude that the Commission's financial statements are materially accurate and reliable, and fiscal operations materially comply with related laws and regulations. As a result, we issued an unqualified opinion on the Commission's financial statements.

FINDINGS AND RECOMMENDATIONS. There are no findings and recommendations in this report, nor were there any findings and recommendations in the prior report.

AGENCY RESPONSE. The Commission has reviewed the report and is in general agreement with its contents.

FINANCIAL SUMMARY. The Commission is primarily funded by a 2¢ tax levied on each hundred-weight of barley sold in Idaho in the primary channels of trade. The barley growers are responsible for payment of the tax, which is collected and remitted by the first purchaser of the barley. The tax collected is used for administration, research, marketing, and promotional activities. A summary of the financial activity for fiscal years 2003 and 2004 follows.

Idaho Barley Commission – Balance Sheet as of June 30, 2003 and 2004

Special Revenue Fund

| | <u>June 30, 2003</u> | <u>June 30, 2004</u> |
|--|-------------------------|-------------------------|
| <u>ASSETS</u> | | |
| Cash | \$37,684 | \$76,869 |
| Investments | 404,335 | 405,573 |
| Receivables | <u>48,056</u> | <u>31,983</u> |
| Total Assets | <u><u>\$490,075</u></u> | <u><u>\$514,425</u></u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities: | | |
| Accounts Payable | \$17,929 | \$34,953 |
| Payroll and Benefits Payable | <u>3,063</u> | <u>4,219</u> |
| Total Liabilities | <u>\$20,992</u> | <u>\$39,172</u> |
| Fund Balance: | | |
| Unreserved and Undesignated Fund Balance | <u>\$469,083</u> | <u>\$475,253</u> |
| Total Liabilities and Fund Balance | <u><u>\$490,075</u></u> | <u><u>\$514,425</u></u> |

Idaho Barley Commission – Statement of Revenues, Expenditures, and Changes in Fund Balance

Fiscal Years Ended June 30, 2003 and 2004

| | <u>June 30, 2003</u> | <u>June 30, 2004</u> |
|---|-------------------------|-------------------------|
| <u>REVENUES</u> | | |
| Barley Tax | \$438,764 | \$423,333 |
| Interest Income | 12,281 | 8,694 |
| Miscellaneous Income | 150 | 110 |
| Market Price Report Subscriptions | <u>525</u> | <u>490</u> |
| Total Revenue | <u>\$451,720</u> | <u>\$432,627</u> |
| <u>EXPENDITURES</u> | | |
| Administration | \$76,425 | \$78,124 |
| Research | 137,262 | 91,035 |
| Market Development | 102,934 | 90,623 |
| Industry Partnership | 110,786 | 115,232 |
| Education and Promotion | 32,399 | 47,997 |
| Capital Outlay | <u>2,344</u> | <u>3,446</u> |
| Total Expenditures | <u>\$462,150</u> | <u>\$426,457</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (\$10,430) | \$6,170 |
| Beginning Fund Balance | <u>479,513</u> | <u>469,083</u> |
| Ending Fund Balance | <u><u>\$469,083</u></u> | <u><u>\$475,253</u></u> |

OTHER ISSUES. We discussed other, less important issues which, if changed, would improve internal control, ensure compliance, or improve efficiency.

This report is intended solely for the information and use of the Idaho Barley Commission and the Idaho Legislature and is not intended to be, and should not be, used by anyone other than these specified parties.

We thank the administrator, Kelly Olson, and the Commission staff for their assistance and cooperation given to us during this audit.

QUESTIONS CONCERNING THIS AUDIT SHOULD BE DIRECTED TO:

Ray Ineck, CGFM, Supervisor, Legislative Audits

Thomas Haddock, CPA, CGFM, Managing Auditor

Report OP85504

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| For a copy of the entire audit report , contact Legislative Services Office, Audit Division, State Capitol Building, 700 W. Jefferson Street, P.O. Box 83720, Boise, Idaho 83720-0054, or call 208-334-3540. |
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